Morocco - Enterprise Support

Report generated on: November 10, 2015

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Overview

Identification

COUNTRY
Morocco

EVALUATION TITLE
Enterprise Support

SUBTITLE

TRANSLATED TITLE
Projet Soutien à l'entreprise

EVALUATION TYPE
Independent Impact Evaluation

SERIES INFORMATION
Chaque série recueille les réponses des deux groupes traitement et contrôle indifféremment et pendant la même période.

> **ID NUMBER**
> DDI-MCC-MAR-ME4-IPA-2013-v1

Version

VERSION DESCRIPTION
Edited clean data for internal use only

PRODUCTION DATE
2013-05-29

Overview

ABSTRACT
The evaluation will measure the specific contribution of the training and support program on key business outcomes. There have been no rigorous evaluations conducted on similar programs in Morocco. Thus, the evaluation will provide critical information to the APP and the Government of Morocco regarding the effectiveness of the Enterprise Support Project and ways in which it might be improved. The following are the principle research questions the evaluation is designed to address:

Did the Enterprise Support Project contribute to an increase in revenues and profits of the participating entrepreneurs?

- Did the program improve survival rates of businesses?

- Did the program affect local employment?

- Were the benefits generated by the project greater than project costs?

The impact of the "AGR Support" program is measured by the differences between the AGRs in the control group and the AGRs in the treatment group for all the variables likely to be affected by the treatment. These differences are calculated by ordinary least squares regressions including stratum indicators as a control variable if the number of observations is sufficient, and - as often as possible - the value of the variable of interest at the time of the initial survey. The purpose of these control variables is to improve the precision of the estimators of the program's effect by reducing the statistical noise due to the intrinsic heterogeneity among the set of AGRs.

EVALUATION METHODOLOGY
Randomization

UNITS OF ANALYSIS
Individuals, enterprises

KIND OF DATA
Sample survey data [ssd]

Scope

NOTES
Impact de l'appui aux entreprises et AGR sur leurs indicateurs financiers et socioéconomiques.

TOPICS

Topic	Vocabulary	URI
Finance, Investment, Trade	MCC Sector	

KEYWORDS
Enterprise support, Training

Coverage

GEOGRAPHIC COVERAGE
The cities of Oujda and Sidi Ifni

UNIVERSE
564 coordinators, as well as the 4 beneficiaries per AGR surveyed in the initial survey, for a total of 2,820 people.

Producers and Sponsors

PRIMARY INVESTIGATOR(S)

Name	Affiliation
Innovation for Poverty Action (IPA)	

FUNDING

Name	Abbreviation	Role
Millennium Challenge Corporation	MCC	
APP	APP	

OTHER ACKNOWLEDGEMENTS

Name	Affiliation	Role
INDH		
ANPME		
OFPPT		

Metadata Production

METADATA PRODUCED BY

Name	Abbreviation	Affiliation	Role
Millennium Challenge Corporation	MCC		Metadata producer

DATE OF METADATA PRODUCTION

2015-05-26

DDI DOCUMENT VERSION
Version 1.0 (January 2015)

DDI DOCUMENT ID
DDI-MCC-MAR-ME4-IPA-2013-v1

MCC Compact and Program

COMPACT OR THRESHOLD
Morocco

PROGRAM
The Enterprise Support project has two priorities: to reduce high unemployment among young graduates and to encourage an entrepreneurial culture. The project focuses on entrepreneurs in two government programs: the first is the Moukawalati program offered by the OFPPT and ANPME, the second is the National Initiative for Human Development (INDH). The Enterprise Support Project was structured in two phases in the Compact, with a two-year pilot period. The AGR Support Project was funded by the Millennium Challenge Corporation (MCC) via the Agency of Partnership for Progress (APP). When the project was created, there were few rigorous empirical elements with respect to the effectiveness of post-creation enterprise training to estimate the economic returns of the program. In particular, it was difficult to know to what degree training increased the income and survival rates of AGRs (Revenue Generating Activities) and, consequently, to know whether the benefits of the program would be greater than the costs. The "AGR Support" program consists of personalized expertise provided to each coordinator. After a day of personalized diagnosis, an action plan is drawn up proposing namely training actions, technical assistance, coaching, and networking activities, depending on the needs of each AGR.

MCC SECTOR
Agriculture and Irrigation (Ag & Irr)

PROGRAM LOGIC
The support actions were performed by a private service provider. Two types of support can be distinguished: on the one hand, technical support specific to a trade and thus to the activity of the AGR and, on the other hand, coaching actions aimed at strengthening or developing the managerial skills that apply to all AGRs (marketing, coaching, accounting, management, networking, human resources, and computing). The training is done per group of four people per AGR (the coordinator and three beneficiaries) for 2 to 3 AGRs, i.e., in groups of 8 to 12 people. Only coaching and technical support is carried out individually. The support was designed to cover 14 days per AGR. One day is devoted to diagnosis with the coordinator, then days are devoted to support actions. During the support actions, a second day of diagnosis was carried out in order to evaluate the first part of the support and, based on that evaluation, the support actions were corrected and improved.

PROGRAM PARTICIPANTS
Entrepeneurs in implementation areas were randomly selected for participation and were able to opt out of the program

Sampling

Study Population

564 coordinators, as well as the 4 beneficiaries per AGR surveyed in the initial survey, for a total of 2,820 people.

Sampling Procedure

All the AGR coordinators were surveyed during the initial survey, but it was not possible to survey all the beneficiaries given the large number of beneficiaries per AGR. The evaluator sampled 4 beneficiaries per AGR: 1 beneficiary was randomly selected from a list of three beneficiaries who were eligible to receive training if selected in the treatment group, 1 board member was randomly selected from among the board members, and 2 beneficiaries were randomly selected from the list of all beneficiaries except for the 3 on the first list.

Deviations from Sample Design

The attrition analyses show that there is no significant difference between the initial sample and the final sample based on their baseline characteristics, i.e., the 550 coordinators in the final sample are representative of the initial 564 coordinators.

Response Rate

98% of coordinators, 75% of recipients, and 72% of companies.

Weighting

The study is based on a formula of power calculation and therefore the weighting is done with the number of treated persons, the total number of eligibles, and the rate of take up fixed at 80%.

Questionnaires

Overview

Moukawalati questionnaire

For the purposes of fine-tuning the questionnaire, approximately 25 enterprises were visited in urban and rural areas. Cities and provinces included Kenitra, Tanger, Larache, Ksar Kebir, Temara, Khouribga, Fes, Safi, Casablanca, and Meknes. These enterprises represented a wide variety of sectors, thus as more was learned about the different contexts in which the programs are implemented, the questionnaires were improved to provide the best possible data. Overall, the prestests went very well and the effort put forth by the OFPPT and the ANPME to find willing entrepreneurs for the pretests was invaluable in refining the questionnaire. The questionnaire will collect the following information:

-General characteristics of the entrepreneur: age, gender, level of education, field of specialization, professional experience, employment training, enterprise creation, income, wage (if applicable) and characteristics of the entrepreneur's household (household size, assets, consumption, etc.)
-General characteristics of the business: nature of the business, type of project (continuing/new), reason for creation, initial investment, sources of financing, type of clientele, number of potential clients, importance of competition, number of staff, internet access.
-Revenues and costs: sales information, sources of income, costs, purchase of inputs, calculations of income flows and profits.
-Competence: entrepreneurs' knowledge and competence in the areas covered under the training such as management and accounting standards.
-Entrepreneur's ability: tests will be performed to evaluate entrepreneurs' ability such as the digit span recall test, word problems and pattern recognition. Risk aversion and intertemporal choice will be measured through a field lottery experiment and questions regarding the interviewee's preference for the present.

AGR questionnaires

As outlined above two separate questionnaires were created: a coordinator questionnaire and a beneficiary questionnaire. The same process of fine-tuning and pre-testing the questionnaires was carried out as in the case of the Moukawalati. For this purpose, we visited approximatively 15 AGRs in the following regions: El Jadida, El Kalaa, Guelmim, Tata, Errachidia and Al Hoceima. The coordinator questionnaire will measure the same business outcomes as noted above, but additional data will be collected concerning the structure and function of the AGR:

-Organizational make-up: division of labor, decision-making process, shared means of production and commercialization.

The beneficiary questionnaire will collect data on the participant's specific role within the AGR: income, diffusion of the program on the members who do not receive the training and the wellbeing of his or her household.

Data Collection

Data Collection Dates

Start	End	Cycle
2012-12-03	2013-02-16	Followup 4
2010-11-08	2011-01-15	Followup 1
2011-06-24	2011-07-29	Followup 2
2012-01-01	2012-02-28	Followup 3
2012-02-16	2012-03-01	Qualitative survey
2009-10-01	2009-12-31	Baseline

Data Collection Mode

Face-to-face [f2f]

Data Collection Notes

The evaluator resurved 10% of the respondents in order to ensure the reliability of the data. The backcheck for this first follow-up survey was conducted by telephone with 56 coordinators and 175 beneficiaries. The questionnaires used, which were shorter than those used in the field and had two different versions, went back over only the most important questions.

Questionnaires

Moukawalati questionnaire

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Data Collectors

Name	Abbreviation	Affiliation
Innovations for Poverty Action	IPA	

Name	Abbreviation	Affiliation
Innovations for Poverty Action	IPA	

Data Processing

Data Editing

The questionnaires completed by the teams were reviewed by the supervisors the same day as the survey in order to be able to report errors. They were then sent to the server at the Rabat office. Every day the server was synced to download the data. The updated database underwent a cleaning session performed by the IPA liaisons once a week. This second check enabled detection of inconsistent results, unjustified missing information (no filter), or surprising results. In the event that the errors could not be corrected directly, the backchecker was tasked with calling the survey respondent to have him/her clarify the problem items. All of the questionnaires were reviewed and, when necessary, the person surveyed was contacted again to check a specific item by means of a very brief call (less than 5 minutes).

Other Processing

Data entry was done on netbooks

Data Appraisal

No content available